

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:)	Attorney Docket 560043129210
Sexton, Frank M. et al.)	
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Application No.: 09/775,273)	
)	
Filed: February 1, 2001)	
)	
For: METHOD AND SYSTEM FOR)	
DISPROPORTIONAL)	
ALLOCATION OF MULTI-RISK)	
INSURANCE POLICY)	
)	
Examiner: Koppikar, Vivek D.)	
)	
Art Unit: 3626)	
)	
Confirmation No.: 7225)	

REMARKS

Claims 1, 3, 5-7, 9 and 12 are in the application.

All of the claims have been rejected under section 103 as being unpatentable over U.S. Patent 5,752,236 to Sexton and Burkhalter, in view of an article to McCoy and U.S. Application 2002/0072936 to Newman, and further in view of U.S. Patent 6,912,502 to Buddle. The rejections are respectfully traversed.

CITED REFERENCES

The Sexton/Burkhalter reference has as inventors the same two people who are applicants here, and discloses a *life insurance* method and system. That method concerns only life insurance products where only death benefits, cash values and premium obligations of those life insurance products are divided to form two separate but related insurance contracts.

No mention is made in Sexton/Burkhalter of health, disability, major medical, critical illness, long term care and property and casualty insurance, no mention or suggestion is made to combine non-life insurance with life insurance, no mention or suggestion is made of forming a

new single prototype contract, and no mention or suggestion is made of using three or more coverages together.

The McCoy reference discloses packaging home owners and automobile coverage together so that they may be sold at the same time. Nothing is disclosed or suggested concerning health, disability, major medical, critical illness, long term care or life insurance. Nothing is stated or suggested about forming a new single prototype contract, nothing is stated or suggested about reconstructing the homeowners and auto policies, and nothing is disclosed about disproportionately allocating benefits and obligations of the prototype contract among two new proposed insurance contracts, nor is anything disclosed about testing the new proposed insurance contracts.

In the Office Action it is stated that “McCoy discloses selecting three or more coverages to form a prototype policy” citing to the abstract and page 3 of the article. Applicants do not see any disclosure of selecting three or more coverages. The only specific coverages mentioned are auto and homeowners as a package. An umbrella policy is mentioned but as a separate policy. There is no teaching or suggestion to combine auto, homeowners and umbrella coverage in a single package. In fact, the exact teaching is just the opposite.

The reference to Newman relates to children’s income protection and health insurance policy and discloses a health insurance policy for children who become disabled that may include long term care and home tutoring benefits. Nothing is stated about life, property or casualty insurance, nor allocating benefits and obligations of a prototype policy between two new proposed insurance contracts nor that those new proposed insurance contracts are to be tested against regulatory requirements.

The reference to Buddle discloses a system and method for *compliance management* in which it is disclosed that insurers in the insurance industry must comply with various federal regulations, must hold a certificate of authority in states in which it operates, that an agent of the insurer must be licensed with the state and appointed by the company, that each state may have different requirements regarding disclosure of information to customers, the amount of liquidity an insurer must maintain and other regulations regarding the actions of the insurer and that different products may have different requirements under various regulations. There is no disclosure or suggestion regarding collecting insurance data regarding various types of coverages, forming a single prototype contract from multiple insurance coverages or disproportionately allocating benefits and obligations regarding the prototype into two new contracts.

NO TEACHING OR SUGGESTION TO MAKE A COMBINATION

There is no teaching, suggestion or motivation shown in McCoy, Newman or Buddle to combine any one of them with Sexton/Burkhalter. The only common thread among the three references is that they all relate to or mention insurance. The Office Action states that McCoy and Sexton may be combined because there is a “motivation of improving increased retention.” While that motivation may be at work in the package offered by the insurance company mentioned in McCoy, where the retention is due to the fact that there is a quantity premium discount offered customers. Sexton/Burkhalter does not offer a quantity premium discount. Sexton/Burkhalter concerns life insurance only. McCoy does not mention life insurance and, of more importance, does not teach or suggest substituting auto and homeowner policies for life insurance.

Newman discloses health and long term care but not as a substitute for life insurance.

There is no disclosure or suggestion in Newman to substitute health and long term care (or any other coverage) for life insurance. Buddle merely confirms that insurance is regulated. There is no teaching or suggestion that Buddle be combined with anything or with Sexton/Burkhalter.

Furthermore, none of the cited references, McCoy, Newman and Buddle, deconstruct and reconstruct insurance contracts. McCoy and Newman merely combine existing coverages. There is no suggestion of manipulation of new insurance combinations.

The only reason that McCoy, Newman and Buddle have been collected and combined with Sexton/Burkhalter is because there is an attempt to reconstruct in hindsight what is disclosed by applicants. Neither McCoy, Newman nor Buddle teach or suggest substituting one kind of insurance for another nor is there even a motivation to do so.

Therefore, applicants contend there is no teaching, suggestion or motivation in McCoy, Newman and Buddle that they all or any one of them be combined with Sexton/Burkhalter to do what applicants have invented.

EVEN IF COMBINED, THE REFERENCE DOES NOT TEACH WHAT IS CLAIMED

Claim 1 of the subject application was previously amended to state that the method includes collecting data "from among at least three of the following coverages: life, health, disability, major medical, critical illness, long-term care, and property and casualty;. . .selecting three or more coverages from said multiple insurance coverages to form a new single prototype; disproportionately allocating benefits and obligations regarding said prototype contract into at least two new proposed insurance contracts. . .; testing said new proposed insurance contracts against regulatory requirements... ."

The above limitations describe a series of steps and are not disclosed in the combination of cited references. The problems overcome by McCoy – insurance retention, Newman – providing for child care, and Buddle – managing compliance requirement, have nothing to do with the invention of the application. The cited art discloses many types of insurance, that the insurance industry is regulated, that auto and homeowners may be packaged and sold at the same time and that life insurance may be disproportionately allocated. However, there is no combination of prior art which shows, first, the combination of three or more insurance coverages, then the formation of one prototypes or first interim contract, then the division of that first interim contract into second and third interim contracts with disproportionate allocation of benefits and obligations and then the testing of the second and third interim contracts.

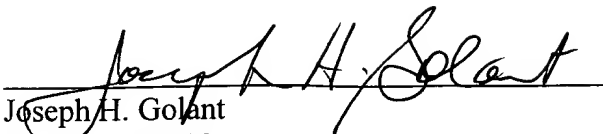
There is nothing in the combined cited art as a whole to suggest the desirability of making applicants' claimed method or system.

The same contentions apply to claim 12 which includes the limitations of “inputting data. . .relating to different insurance coverages. . .; forming in the data processing apparatus an interim single insurance contract containing at least two coverages from previously inputted data, wherein at least one of the coverages is not life insurance . . .; disproportionately allocating benefits and obligations of said interim single insurance contract into at least two new insurance contracts. . .; testing all separate but related insurance contracts. . .; and displaying only those separate but related insurance contracts which qualify. . .” No combination of the cited references includes all of these limitations.

If all independent claims are allowable, all dependent claims are allowable. For all of the above reasons the applicants respectfully request that the Examiner reconsider the rejections and indicate allowance of all claims.

Dated: September 25, 2006

Respectfully submitted,

A handwritten signature in black ink, reading "Joseph H. Golant", written over a horizontal line.

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